



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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RECORDS OF MEETING

CLAIMS SUBCOMMITTEE – JULY 22, 2025

Members Present

Mr. David DeLuca – Chair
Ms. Ida Denard Jones
Mr. Nathan Joyner
Ms. Mikyla Moody
Ms. Heidi Mussler
Mr. Christopher Rushton
Ms. Mary Singas

Vermont Mutual Insurance Company
Denard Insurance Agency, Inc.
Amica Mutual Insurance Company
Arbella Insurance Group
Quincy Mutual Group
Safety Insurance Company
MAPFRE U.S.A. Corporation

Substituted for:
N/A

Not in Attendance:
Mr. Doug Sprou, Plymouth Rock Assurance Corporation

22.01 Records of Previous Meeting

The Subcommittee voted unanimously to approve the Records of the Claims Subcommittee meeting of November 30, 2022. The Records have been distributed and are on file.

25.03 Claims Performance Standards

The Claims Subcommittee met to assist the Compliance and Operations Committee with its biennial review of proposed modifications to the Private Passenger and Commercial Claims Performance Standards (the Standards) as required by G.L.c.175, §113H. Specifically, the Subcommittee reviews modifications to the Standards as proposed by Subcommittee members or CAR staff and provides a recommendation to the Compliance and Operations Committee. Mr. Mark Alves provided a brief explanation of the required steps necessary to bring the proposed changes to the Division of Insurance for consideration.

Mr. Peter Bertoni of CAR staff provided an overview of modifications to the Standards. He explained that staff proposed five changes in total to either the Private Passenger or the Commercial Standards. However, two of the suggested changes include consistent language to both Standards.

The first suggested change was found in Standard V: Expenses in both the Private Passenger and Commercial Standards. CAR proposed this change to further document recent modifications to Chapter XI of the Assigned Risk Company Procedures Manual and Chapter IX of the Manual of Administrative Procedures. Both manuals were recently updated to strengthen the language pertaining to the required

access of source documentation for validation of each loss amount and expense payment. This was specifically added to support the level of documentation already required in the Statistical Plan to enable CAR auditors to validate expenses and payments transactionally, while requiring the audited company to provide access to supporting documentation that allows CAR to validate that paid losses do not include Unallocated Loss Adjustment Expenses (ULAE) as required by the Statistical Plan.

The second change was found in Appendix K - Compliance Audit Claim Questionnaire and also applied to both Standards. The audited company is required to provide responses to the questions found in Appendix K prior to beginning an audit. CAR proposed two additional questions specific to the Special Investigation Unit and CAR Rule 32.C.2. (Private Passenger) and CAR Rule 10.C.2.(Commercial).

The final change is applicable to only the Private Passenger Standards found in Appendix A: CAR Special Investigative Unit Standards. CAR proposed changing “triennial” to “conducted once every 5 years”. This change was recommended because the Private Passenger audit cycle was previously changed from once every three years to once every five years and documented in CAR manuals.

The Subcommittee voted unanimously to recommend to the Compliance and Operations Committee approval of the amendments to the Private Passenger and Commercial Standards as proposed by CAR staff.

MARK ALVES
Director - Compliance Audit

Boston, Massachusetts
August 4, 2025

ATTACHMENT LISTING

Docket #CLMS25.02, Exhibit #1

Attendance Listing

**CLAIMS SUBCOMMITTEE MEETING
MEETING ATTENDEES
JULY 22, 2025**

Individual's Name

Company / Agency

PLEASE PRINT

David DeLuca	Vermont Mutual Insurance Company
Ida Denard Jones	Denard Insurance Agency, Inc.
Nathan Joyner	Amica Mutual Insurance Company
Mikyla Moody	Arbella Insurance Group
Heidi Mussler	Quincy Mutual Group
Christopher Rushton	Safety Insurance Company
Mary Singas	MAPFRE U.S.A. Corporation
Mark Alves	CAR Staff
Peter Bertoni	CAR Staff
Wendy Browne	CAR Staff
Matthew Hirsh	CAR Staff
Virginia Plasse	CAR Staff
Alison Ruggiero	CAR Staff
Robin Tigges	CAR Staff